STATE BOARD OF ACCOUNTS 302 West Washington Street Room E418 INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT OF

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 140 TIPTON, INDIANA

January 1, 2004 to December 31, 2004

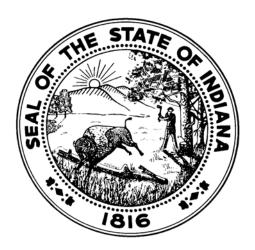


TABLE OF CONTENTS

<u>Description</u>	Page
Officials	2
Independent Accountant's Report	3
Schedule of Collections and Distributions	4
Notes to Schedule of Collections and Distributions	5
Statistical Information	6
Examination Results and Comments: Bank Account Reconcilement Redeclared Weight	7 7
Exit Conference	8

OFFICIALS

Office	<u>Official</u>	<u>Term</u>
Chairman, Bureau of Motor Vehicles Commission	Gerald Coleman Mary DePrez Joel Silverman	01-06-02 to 02-29-04 03-01-04 to 01-09-05 01-10-05 to 01-11-09
Branch Manager	Tammy Dulworth	01-01-04 to 12-31-05



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> Telephone: (317) 232-2513 Fax: (317) 232-4711 Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STATE BUREAU OF MOTOR VEHICLES COMMISSION

We have examined the Schedule of Collections and Distributions of the State Bureau of Motor Vehicles Commission License Branch Number 140 (Branch) for the period of January 1, 2004 to December 31, 2004. The Branch's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Collections and Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Branch for the year ended December 31, 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

December 14, 2005

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 140 TIPTON, INDIANA SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS January 1, 2004 to December 31, 2004

	_	Amount
Collections:		
Registrations	\$	2,806,867
Titles		429,316
Drivers licenses		101,996
Watercraft		80,329
Miscellaneous		252
Total	\$	3,418,760
	=	
Distributions:		
State fees	\$	1,294,747
County tax		1,823,382
Commission fees		300,631
Total	\$	3,418,760

The accompanying notes are an integral part of the schedule.

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 140 TIPTON, INDIANA NOTES TO SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS

Note 1. Introduction

The Motor Vehicles Commission was created to manage the motor vehicle license branches. The Bureau of Motor Vehicles is a separate state agency which provides support services to the Commission controlled license branches. The license branches collect fees which fund the Motor Vehicles Commission. The license branches collect and forward county taxes (excise tax, wheel tax, and surtax) and state fees. The Commission has one contractual branch that is administered by an individual contractor according to Bureau policies. The Commission has developed a mobile license branch to serve the need of CDL license issuance and other special needs as they arise.

Note 2. Collections and Distributions

Each branch collects fees and taxes when vehicle and watercraft registrations, titles, and drivers licenses are sold. Fees are uniform throughout the state.

The total daily collections are deposited to a single bank account. From this account the collections are distributed to separate bank accounts which are not controlled by the license branch and belong to the state, county and Bureau of Motor Vehicles Commission.

Note 3. Banking System

The Bureau of Motor Vehicles Commission has entered into an agreement with Bank One for a cash concentration system. The system utilizes a series of individual noninterest bearing accounts (clearing accounts) from which all fees and taxes are transferred.

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 140 TIPTON, INDIANA STATISTICAL INFORMATION

January 1, 2004 to December 31, 2004

Transactions Processed	Quantity
Vehicle registrations: Passenger Motorcycle RV (housecar) Light truck Other truck Farm truck Tractor Trailer Semitrailer School and church bus Other	11,706 793 563 7,125 231 314 154 3,229 312 39 1
Total vehicle registrations	24,567
Drivers licenses and permits: Drivers licenses/learners permits CDL licenses/CDL permits Placards Other	4,346 416 599 2,441
Total drivers licenses and permits	7,802
Titles: Vehicles Watercraft Total titles	7,749 142
Total watercraft registrations	1,043

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 140 TIPTON, INDIANA EXAMINATION RESULTS AND COMMENTS

BANK ACCOUNT RECONCILEMENT

The December 31, 2004, bank account reconcilement, presented for audit by the Branch Manager, disclosed unexplained differences.

The account as of December 31, 2004, as reconciled by the State Board of Accounts, shows the bank account to be cash short in the amount of \$10,145.53. This amount is due back to the Branch for repayments erroneously transferred out.

All accounts are required to be balanced on a monthly basis. All unidentified cash shortages and overages of twenty dollars or more must be reported to Branch Operations before the next Trial Balance is performed. (Branch Operations Policies and Procedures Manual, Journal Chapter, Miscellaneous Branch Procedures Chapter)

REDECLARED WEIGHT

Truck 7,000 plate number 183358L could not be found in the Hold for Audit Inventory. The plate had been replaced with Truck 26,000 plate number 20025E in a reweight transaction.

When a plate has been replaced due to reweighting, the new registration stub/receipt should be attached to the original registration (photocopy or BOSS inquiry) and placed with the plate in the Hold for Audit items. (Branch Operations Policies and Procedures Manual, Branch Filing Procedures Chapter)

STATE BUREAU OF MOTOR VEHICLES COMMISSION LICENSE BRANCH NUMBER 140 TIPTON, INDIANA EXIT CONFERENCE

The contents of this report were discussed on December 14, 2005, with Tammy Dulworth, Branch Manager.